



# South Central Idaho News

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA & TWIN FALLS COUNTIES

## ECONOMIC TRENDS

The seasonally adjusted unemployment rate managed to raise a few eyebrows when it jumped five-tenths of a percentage point to 3.2 percent in April. This was primarily due to a temporary layoff at Con Agra, which periodically closes lines for maintenance and cleaning. Those workers were back on the job within weeks. But it created some concern about economic stability when it was combined with the end of Amalgamated Sugar's spring sugar campaign and minor worker reductions by smaller businesses due to adverse weather conditions in April. Such unemployment rate fluctuations are normal from time to time. With the landslide of new development and business announcements throughout the region, commercial construction will be a major factor in maintaining and expanding employment for the remainder of the decade as large projects push toward completion. The Twin Falls-Jerome Micropolitan Area's unemployment rate has not exceeded 4 percent – the mark considered full employment – since June 2004. It is reasonable to expect workers migrating to the valley would positively impact area hotels, restaurants, housing and retail sales, which would provide a welcomed injection of cash into an economy whose agricultural sector is still struggling with water allocation disputes. The Idaho Department of Water Resources planned to shut down about 700 wells irrigating 33,000 acres to assure water supplies to more senior water rights holders. That shutdown has been averted, at least temporarily, while procedural issues are resolved, but area farmers are operating under the cloud of being stripped of irrigation supplies.

The good news is that prices are higher for most crops, although it is still

South Central Idaho Table 1: Twin Falls-Jerome MicSA Labor Force & Employment—Twin Falls and Jerome counties

	Apr 2007*	Mar 2007	Apr 2006	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	48,640	47,790	49,270	1.8	-1.3
Unemployment	1,580	1,310	1,690	20.6	-6.5
% of Labor Force Unemployed	3.2	2.7	3.4		
Total Employment	47,060	46,480	47,580	1.2	-1.1
<i>Unadjusted</i>					
Civilian Labor Force	48,290	47,220	49,130	2.3	-1.7
Unemployment	1,590	1,560	1,670	1.9	-4.8
% of Labor Force Unemployed	3.3	3.3	3.4		
Total Employment	46,700	45,660	47,460	2.3	-1.6
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	40,070	39,060	38,360	2.6	4.5
<i>Goods-Providing Industries</i>	7,350	7,200	6,810	2.1	7.9
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	2,400	2,240	2,280	7.1	5.3
Manufacturing	4,920	4,930	4,500	-0.2	9.3
Food Manufacturing	2,630	2,650	2,420	-0.8	8.7
Other Manufacturing	2,290	2,280	2,080	0.4	10.1
<i>Service-Providing Industries</i>	32,720	31,860	31,550	2.7	3.7
Trade, Transportation & Utilities	9,900	9,740	9,580	1.6	3.3
Wholesale Trade	1,900	1,850	1,870	2.7	1.6
Retail Trade	5,780	5,600	5,670	3.2	1.9
Utilities	150	150	170	0.0	-11.8
Transportation & Warehousing	2,070	2,140	1,870	-3.3	10.7
Information	640	630	620	1.6	3.2
Financial Activities	1,600	1,600	1,680	0.0	-4.8
Professional & Business Services	4,680	4,360	4,630	7.3	1.1
Educational & Health Services	5,020	5,000	3,320	0.4	51.2
Leisure & Hospitality	3,270	3,120	3,080	4.8	6.2
Other Services	1,480	1,460	1,390	1.4	6.5
Government Education	3,710	3,520	3,370	5.4	10.1
Government Administration	2,420	2,430	3,880	-0.4	-37.6

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

too early to know if they will hold through harvest. Corn especially has gained national attention because of high price and lack of availability. As a high-maintenance crop that requires a great deal of water, corn has not been a major crop in south central Idaho. But local demand could increase as new ethanol plants in Minidoka and Cassia

counties ramp up production. Agriculture is the second largest employer in the region with 9,000 workers last summer.

## **AREA DEVELOPMENTS**

### **TWIN FALLS COUNTY**

- The ground breaking for the new St. Luke's Magic Valley Regional Medical Center took place in May, a year after county voters approved building the new hospital. Commerce & Labor Director Roger B. Madsen spoke at the event, complimenting area leaders on a partnership that has created a system of economic and community development that is widely admired. Retired physicians of the former Magic Valley Regional Medical Center were part of the program, recalling their first impressions of Twin Falls when they relocated some 50 years ago. They predicted that the new facility will be a tool for attracting new physicians to the area.
- Canyon Crest recently broke ground for its \$6.5 million restaurant and banquet hall on nearly 2.5 acres on the south canyon rim west of the Perrine Bridge. It will be near an office complex, the Montana Steakhouse and multi-family housing. Seating capacity is 1,000 in the 20,600-square-foot restaurant, including outdoor veranda, piano bar, regular dining room and banquet hall. Dan Willie and family, who also own the Oasis Stop 'n Go convenience stores throughout the region, anticipate opening the restaurant in nine months.
- Federation Pointe, a combination of office and open space, has jumped through local approval hoops and anticipates starting construction within the next three months. The complex consists of two five-story buildings framing a public plaza located on the canyon rim.
- The College of Southern Idaho gave a sigh of relief when the community college district election in Canyon and Ada counties got the required two-thirds majority. School officials said that local autonomy has been the key to their responsiveness to the needs of the community and applauded the fact that western Idaho voters saw this same potential for their new College of Western Idaho. Had the district been rejected, the State Board of Education was considering creating a state-governed community college arm that would eliminate local autonomy.
- Recent business openings have included Success Innovations, a personal and business success coaching service owned by Brian Higgins; Process

of Change, a private, non-profit school opening in August for children who are developmentally challenged; Restore, a fund-raising outlet for Habitat for Humanity that resells donated construction products and supplies, relying on volunteers to help out at the store and with other fund-raising events; Toner Monkey, a nationwide distributor of copier, fax and printing supplies; Primary Therapy Source, a business providing experienced physical therapy services; Swensen's Magic Mart, a new 20,000-square-foot store in Orchard Park Plaza continuing a history of family operation and management. The Plaza will eventually house other retailers on its 16 acres, providing convenience and products to an underserved area of Twin Falls.

### **JEROME COUNTY**

- Crossroads Pointe, a large-scale development at the junction of Interstate 94 and Highway 93, is still moving ground and laying curb, but occupants are starting to move in beginning with FedEx. This multi-use development is conceptually built around a hospital with office, industrial, warehouse, retail, restaurant and entertainment space. The infrastructure and required zoning will be completed up front, which is attractive to many businesses that want to relocate.
- County commissioners have slapped a six-month moratorium on permits for new livestock operations so they can update their required operating criteria. Lamb Weston, Simplot and McCain prompted the action by asking local potato growers about the proximity of their fields to dairies. Health issues may be raised, and the commissioners do not want to favor one industry while causing a detriment to another.

### **BLAINE COUNTY**

- Hailey has won voter approval to sell Blaine County Manor, a community assisted living facility, because it cannot afford needed renovations. As a result, the facility will now be operated under a 10-year agreement by the non-profit Croy Canyon Ranch Foundation that was set up to operate and oversee construction of a new facility. The sale should bring in \$6 million of the \$20 million to build a new facility. Blaine County has been spending more than \$600,000 a year to keep the facility afloat.
- The city of Sun Valley voted to lower its local option tax from 3 percent to 2 percent, which is consistent with the city of Ketchum's tax. The tax is as-

sessed on retail sales except for lodging, liquor by the drink, restaurant meals, lift tickets and green fees. Local option taxes are allowed in Idaho for communities with populations less than 10,000 to mitigate the inherent volatility of the tourism industry. Continued growth in tourism is expected to partially offset the \$81,000 revenue loss from the lower tax rate.

- Sun Valley voters approved a \$4.357 million bond for improvements to sewer and water systems. With an estimated median home price of \$735,000 in Sun Valley, a homeowner's median tax increase will be less than \$120 per year.
- The city of Bellevue passed a special levy to finance additional police, library and city street personnel.
- The Friedman Memorial Airport's one-lane landing strip is open again following a one-month closure for strip renovation required and funded by the Federal Aviation Administration. The airport is still struggling with growing pains while officials consider locations for a new airport. A new study has been commissioned that, combined with a citizen's site selection recommendation, will assist with selecting the location of the new airport. The Friedman Memorial Airport Authority has already voted to close the current site.

#### **MINIDOKA AND CASSIA COUNTIES**

- High Desert Milk, a new milk processing plant, broke ground in Burley in early June. The multi-million-dollar plant will employ 30 workers and process more than 2 million pounds of milk a day into 64 million pounds of powdered milk a year. The plant, cooperatively owned by dairymen, has four departments — sales of pharmaceutical supplies for dairy or livestock operations; marketing of milk to various processing plants in the area; milk processing and manufacturing of powdered milk; and organic milk production and marketing. One barn is currently used to produce organic milk with two more barns under construction. Thousands of acres have been certified for raising organic feed.
- C&C Recycling Services has opened in the Burley-Heyburn Industrial Park. C&C is a national company that recycles almost everything, excluding wood and glass. The company currently uses trucking and rail for distribution with overseas containers shipping metal to International destinations including Vietnam and Taiwan, where the recycled metal is used for infrastructure such as

bridges. C&C chose the area because of the high concentration of agriculture. It is particularly interested in baling twine, which is recycled for use in clothing and shoes. When company officials toured the area, they were surprised to see the many manufacturing plants, which helped solidify their decision to relocate. The company plans to hire 25 workers and a plant manager within the next month.

- A newly-formed committee is investigating whether Cassia County needs to establish a herd district to protect rural drivers from liability should they hit and kill or injure wandering livestock. According to state law, land outside villages, cities and herd districts is considered open range and a driver colliding with livestock would have to reimburse the owner of the animal for the loss. In Cassia County, there are a number of open stretches of road that fall into the open range definition, and the area livestock population has been increasing.
- Declo will soon have a community library housed in the former Gillette Market on Main Street. The building space was a contribution from Lance Darrington, owner of Lance's Custom Cutting. Goode Motor contributed a computer, other area libraries are donating books and several people have offered donations of time and supplies. A board has not yet been formed, but tentative hours of operation will be Thursday afternoons and Saturday mornings.
- The Albion State Normal School campus was sold at auction June 2 for \$810,000 to a group of investors from Boise, Meridian and Pocatello. New owners Troy, Kent and Jared Mortensen and Jared Affleck said possible uses for the site include a Christian college and an RV park. The school that had operated for almost 60 years was closed in 1951. It later was operated as the Southern Idaho College of Education and even later occupied by Magic Valley Christian College. The 35-acre campus includes eight buildings with almost 120,000 square feet of space. The new owners hope to restore the historic buildings.

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